

HOUSE BILL NO. 333

INTRODUCED BY B. MCCHESENEY

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AND REGULATING PARIMUTUEL WAGERING ON MATCH BRONC RIDES AND WILD HORSE RIDES; AMENDING SECTIONS 23-4-101, 23-4-104, 23-4-105, 23-4-201, AND 23-4-202, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-4-101, MCA, is amended to read:

"23-4-101. Definitions. Unless the context requires otherwise, in this chapter, the following definitions apply:

(1) "Board" means the board of horseracing provided for in 2-15-3106.

(2) "Board of stewards" means a board composed of three stewards who supervise race meets.

(3) "Department" means the department of livestock provided for in Title 2, chapter 15, part 31.

(4) "Immediate family" means the spouse, parents, children, grandchildren, brothers, or sisters of an official or licensee regulated by this chapter who have a permanent or continuous residence in the household of the official or licensee and all other persons who have a permanent or continuous residence in the household of the official or licensee.

(5) "Match bronc ride" means a saddle bronc riding contest consisting of two sections known as a "long go" and a "short go" in which the win, place, and show winners are determined by judges of the rides for each go.

~~(5)~~(6) "Minor" means a person under 18 years of age.

~~(6)~~(7) "Persons" means individuals, firms, corporations, fair boards, and associations.

~~(7)~~(8) (a) "Race meet" means racing of registered horses or mules, match bronc rides, and wild horse rides at which the parimutuel system of wagering is used. The term includes horseraces, mule races, and greyhound races that are simulcast.

(b) The term does not include live greyhound racing.

~~(8)~~(9) "Racing" means live racing of registered horses or mules and simulcast racing of horses, mules, and greyhounds.

~~(9)~~(10) "Simulcast" means a live broadcast of an actual horserace, mule race, or greyhound race at the time it is run. The term includes races of local or national prominence.

~~(10)~~(11) "Simulcast facility" means a facility at which horseraces, mule races, or greyhound races are simulcast and wagering on the outcome is permitted under the parimutuel system.

~~(11)~~(12) "Steward" means an official hired by the department and by persons sponsoring a race meet to regulate and control the day-to-day conduct and operation of a sanctioned meet.

(13) "Wild horse ride" means wild horse riding contest in which three-person teams attempt to saddle a wild horse and ride it completely around a track with the first to do so declared the winner."

Section 2. Section 23-4-104, MCA, is amended to read:

"23-4-104. Duties of board. The board shall adopt rules to govern race meets and the parimutuel system. These rules shall include the following:

(1) definitions;

(2) auditing;

(3) supervision of the parimutuel system;

(4) corrupt practices;

(5) supervision, duties, and responsibilities of the executive secretary, presiding steward, racing secretary, and other racing officials;

(6) licensing of all personnel who have anything to do with the substantive operation of racing;

(7) the establishment of dates for race meets and meetings in the best interests of breeding and racing in this state;

(8) the veterinary practices and standards which must be observed in connection with race meets;

(9) absolute responsibility of trainers for the condition of horses and mules, regardless of the acts of third parties;

(10) licensing or renewal of a license of a person whose license has been suspended by the board or another horseracing jurisdiction;

(11) setting license fees commensurate with the cost of issuing a license;

(12) the time, conduct, and supervision of simulcast races and parimutuel betting on simulcast races; ~~and~~

(13) licensing, approval, and regulation of simulcast facilities; and

(14) licensing, approval, and regulation of match bronc rides and wild horse rides."

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2 **Section 3.** Section 23-4-105, MCA, is amended to read:

3 **"23-4-105. (Temporary) Authority of board.** The board shall license and regulate racing, including
4 match bronc rides, and wild horse rides, and review race meets held in this state under this chapter. All
5 percentages withheld from amounts wagered must be deposited in the board's agency fund account. The board
6 shall then distribute all funds collected under 23-4-202(4)(d), 23-4-204(3), and 23-4-302(3) to live race purses
7 or for other purposes for the good of the existing horseracing industry. If the board decides to authorize new forms
8 of racing, including new forms of simulcast racing, not currently engaged in Montana, the board shall do so after
9 holding public hearings to determine the effects of these forms of racing on the existing saddle racing program
10 in Montana. The board shall consider both the economic and safety impacts on the existing racing and breeding
11 industry.

12 **23-4-105. (Effective July 1, 2007) Authority of board.** The board shall license and regulate racing,
13 including match bronc rides, and wild horse rides, and review race meets held in this state under this chapter.
14 All percentages withheld from amounts wagered must be deposited in a state special revenue account and are
15 statutorily appropriated to the board as provided in 17-7-502. The board shall then distribute all funds collected
16 under 23-4-202(4)(d), 23-4-204(3), and 23-4-302(3) to live race purses or for other purposes for the good of the
17 existing horseracing industry. If the board decides to authorize new forms of racing, including new forms of
18 simulcast racing, not currently authorized in Montana the board shall do so after holding public hearings to
19 determine the effects of these forms of racing on the existing saddle racing program in Montana. The board shall
20 consider both the economic and safety impacts on the existing racing and breeding industry."

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22 **SECTION 4. SECTION 23-4-201, MCA, IS AMENDED TO READ:**

23 **"23-4-201. Licenses.** (1) A person may not hold a race meet, including simulcast race meets under the
24 parimutuel system, in this state without a valid license issued by the department under this chapter. A person
25 applying for a license to hold a race meet under this chapter shall file with the department an application that must
26 set forth the time, place, and number of days the license will continue and other information the board requires.

27 (2) A person who participates in a race meet, except for a match bronc ride or a wild horse ride, must
28 be licensed and charged an annual fee set by the board . The annual fee must be paid to the department and
29 used for expenses of administering this chapter. Each person holding a license under this chapter shall comply
30 with this chapter and with the rules adopted and orders issued by the board.

(3) A license may not be issued to a person who has failed to pay the fees, taxes, or money required under this chapter.

(4) An application to hold a race meet must be submitted to the department, and the board shall act on the application within 30 days. The board is the sole judge of whether the race meet may be licensed and the number of days the meet may continue.

(5) The board shall require that a fair board and an independent racing association conducting a race meet comply with the requirements of the rules adopted by the board before granting a license.

(6) A racing association consisting of a local fair board or an association approved by a local fair board may apply for a license to hold a simulcast race meet in a simulcast facility.

(7) An unexpired license held by a person who violates this chapter or who fails to pay to the department the sums required under this chapter is subject to cancellation and revocation by the board."

Section 5. Section 23-4-202, MCA, is amended to read:

"23-4-202. (Temporary) Penalty for violations of law -- authority of board -- judicial review. (1) A person holding a race meet or an owner, trainer, or jockey participating in a race meet, except a participant in a match bronc ride or a wild horse ride, without first being licensed under this chapter, or a person violating this chapter is guilty of a misdemeanor.

(2) The board or, upon the board's authorization, the board of stewards of a race meet at which they officiate may exclude from racecourses in this state a person whom the board considers detrimental to the best interest of racing as defined by rules of the board.

(3) As its own formal act or through an act of a board of stewards of a race meet, the board may suspend or revoke any license issued by the department to a licensee and assess a fine, not to exceed \$1,000, against a licensee who violates any of the provisions of this chapter or any rule or order of the board. In addition to the suspension or revocation and fine, the board may forbid application for relicensure for a 2-year period. Fines collected under this subsection must be deposited in the general fund.

(4) The board shall promulgate rules implementing this chapter, including the right to a hearing for individuals against whom action is taken or proposed under this chapter. The rules may include provisions for the following:

(a) summary imposition of penalty by the stewards of a race meet, including a fine and license suspension, subject to review under the contested case provisions of the Montana Administrative Procedure Act;

(b) stay of a summary imposition of penalty by either the board or board of stewards;

(c) retention of purses pending final disposition of complaints, protests, or appeals of stewards' rulings;

(d) setting aside of up to 3% of exotic wagering on races, including simulcast races, to be deposited in the board's agency fund account. The board shall then distribute all funds collected under this subsection to live race purses or for other purposes that the board considers appropriate for the good of the existing horseracing industry.

(e) using 2% of exotic wagering on live racing to be immediately and equally distributed to all purses except stakes races;

(f) assessment of penalty and interest on the late payment of fines, which must be paid before licenses are reinstated;

(g) definition of exotic forms of wagering on races to be allowed;

(h) standards for simulcast facilities; ~~and~~

(i) conduct and supervision of simulcast races and parimutuel betting or wagering on simulcast races; and

(j) conduct and supervision of match bronc rides and wild horse rides.

(5) The district court of the first judicial district of the state has exclusive jurisdiction for judicial review of cases arising under this chapter.

23-4-202. (Effective July 1, 2007) Penalty for violations of law -- authority of board -- judicial review. (1) A person holding a race meet or an owner, trainer, or jockey participating in a race meet, except a participant in a match bronc ride or a wild horse ride, without first being licensed under this chapter or a person violating this chapter is guilty of a misdemeanor.

(2) The board or, upon the board's authorization, the board of stewards of a race meet at which the stewards officiate may exclude from racecourses a person whom the board or board of stewards considers detrimental to the best interest of racing as defined by rules of the board.

(3) As its own formal act or through an act of a board of stewards of a race meet, the board may suspend or revoke any license issued by the department to a licensee and assess a fine, not to exceed \$1,000, against a licensee who violates any of the provisions of this chapter or any rule or order of the board. In addition to the suspension or revocation and fine, the board may prohibit application for relicensure for a 2-year period. Fines collected under this subsection must be deposited in the general fund.

(4) The board shall promulgate rules implementing this chapter, including the right to a hearing for

1 individuals against whom action is taken or proposed under this chapter. The rules may include provisions for
2 the following:

3 (a) summary imposition of penalty by the stewards of a race meet, including a fine and license
4 suspension, subject to review under the contested case provisions of the Montana Administrative Procedure Act;

5 (b) stay of a summary imposition of penalty by either the board or board of stewards;

6 (c) retention of purses pending final disposition of complaints, protests, or appeals of stewards' rulings;

7 (d) setting aside of up to 3% of exotic wagering on races, including simulcast races, to be deposited in
8 a state special revenue account and statutorily appropriated to the board as provided in 17-7-502. The board shall
9 then distribute all funds collected under this subsection to live race purses or for other purposes that the board
10 considers appropriate for the good of the existing horseracing industry.

11 (e) using 2% of exotic wagering on live racing to be immediately and equally distributed to all purses
12 except stakes races;

13 (f) assessment of penalty and interest on the late payment of fines, which must be paid before licenses
14 are reinstated;

15 (g) definition of exotic forms of wagering on races to be allowed;

16 (h) standards for simulcast facilities; ~~and~~

17 (i) conduct and supervision of simulcast races and parimutuel betting or wagering on simulcast races;
18 and

19 (j) conduct and supervision of match bronc rides and wild horse rides.

20 (5) The district court of the first judicial district of the state has exclusive jurisdiction for judicial review
21 of cases arising under this chapter."
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23 NEW SECTION. Section 6. Effective date. [This act] is effective on passage and approval.

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